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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DELPHI CORPORATION, et al.,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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JOINT STIPULATION AND AGREED ORDER COMPROMISING
AND ALLOWING PROOF OF CLAIM NUMBER 9151
(ARC AUTOMOTIVE, INC.)

Delphi Corporation and certain of its subsidiaries and affiliates, including Delphi Automotive Systems ("DAS LLC"), debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), and ARC Automotive, Inc. ("ARC") respectfully submit this Joint Stipulation And Agreed Order Compromising And Allowing Proof Of Claim Number 9151 (ARC Automotive, Inc.) (this "Joint Stipulation") and agree and state as follows:

WHEREAS, on October 8, 2005 (the "Petition Date"), the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as then amended, in the United States Bankruptcy Court for the Southern District of New York.

WHEREAS, on October 10, 2005, ARC submitted a demand to the Debtors asserting a reclamation claim in the amount of \$1,706,930.63 (the "Reclamation Demand").

WHEREAS, on May 24, 2006, the Debtors and ARC entered into a letter agreement (the "Reclamation Letter Agreement") with respect to the Reclamation Demand, whereby the Debtors and ARC acknowledge and agree that the valid amount of the Reclamation Demand is \$218,571.21 (the "Reclamation Claim"), subject to the Debtors' right to seek, at any time and notwithstanding ARC's agreement to the amount set forth in the Reclamation Letter Agreement, a judicial determination that certain reserved defenses (the "Reserved Defenses") to the Reclamation Claim are valid.

WHEREAS, ARC filed proof of claim number 9151 against DAS LLC on July 13, 2006, which asserts a claim in the amount of \$1,073,139.28 (the "Claim") arising from goods delivered and royalties due under a supply contract and a license agreement, respectively. ARC asserted that a portion of the Claim was entitled to administrative expense priority as it consisted of goods subject to a reclamation demand. ARC also asserted that a portion of the Claim is secured by a right of setoff.

WHEREAS, the Debtors objected to the Claim pursuant to the Debtors' (i) Third Omnibus Objection (Substantive) Pursuant To 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 To Certain (a) Claims With Insufficient Documentation, (b) Claims Unsubstantiated By Debtors' Books And Records, And (c) Claims Subject To Modification And (ii) Motion To Estimate Contingent And Unliquidated Claims Pursuant To 11 U.S.C. § 502(c) (Docket No. 5452) (the "Third Omnibus Claims Objection"), which was filed on October 31, 2006.

WHEREAS, on November 20, 2006, ARC filed ARC Automotive, Inc.'s Response To Debtors' Third Omnibus Objection To Certain Claims (Docket No. 5577) (the "Response").

WHEREAS, the Debtors are authorized to enter into this Joint Stipulation either because the Claim involves an ordinary course controversy or pursuant to that certain Amended And Restated Order Under 11 U.S.C. §§ 363, 502, And 503 And Fed. R. Bankr. P. 9019(b) Authorizing Debtors To Compromise Or Settle Certain Classes Of Controversy And Allow Claims Without Further Court Approval (Docket No. 8401) entered by this Court on June 26, 2007.

THEREFORE, the Debtors and ARC stipulate and agree as follows:

1. The Claim shall be allowed in the amount of \$925,476.40 and shall be treated as an allowed general unsecured non-priority claim against the estate of DAS LLC. To the extent DAS LLC was entitled to apply any discounts to amounts due to ARC for the pre-petition delivery of goods as a result of accelerated payment terms and such discounts were not applied as of the Petition Date (the "Pre-Petition Discounts"), the parties have taken into account such Pre-Petition Discounts in determining the amount of the allowed Claim and DAS LLC is no longer entitled to apply such Pre-Petition Discounts to any amounts due to ARC.

2. ARC reserves the right, pursuant to section 503(b) of the Bankruptcy Code, to seek administrative priority status for \$218,571.21 of the Claim on the grounds that ARC has a valid reclamation claim in the amount of \$218,571.21.

3. The Debtors reserve the right to seek, at any time and notwithstanding ARC's agreement to the amount set forth in the Reclamation Letter Agreement, a judicial determination that the Reserved Defenses are valid.

4. ARC shall withdraw its Response to the Third Omnibus Objection.

So Ordered in New York, New York, this 16th day of November, 2007

/s/Robert D. Drain

UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND
APPROVED FOR ENTRY:

/s/ John K. Lyons

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